



**THE ATTORNEY GENERAL  
OF TEXAS**

**AUSTIN, TEXAS**

**PRICE DANIEL  
ATTORNEY GENERAL**

April 8, 1950

Hon. George B. Butler, Chairman  
Board of Insurance Commissioners  
Austin, Texas

Opinion No. V-1042.

Re: The correct annual  
license fee from  
agents of county  
mutual fire insur-  
ance companies.

Dear Mr. Butler:

You have asked for the opinion of this office  
on the following:

"House Bill 616 enacted by the 51st Leg-  
islature in 1949 amends Vernon's Article  
5068b, increasing the annual license fee to  
be paid by agents therein described from One  
Dollar to Two Dollars.

"It is the Departmental view that House  
Bill 616 did not affect the One Dollar fee  
for agents of county mutual fire insurance  
companies prescribed by Sec. 2(g), House Bill  
155, enacted by the 50th Legislature in 1947,  
and that the license fee for such agents re-  
mains at One Dollar. The enclosed copy of  
an inter-office memorandum in that respect  
sets out the reasons for this conclusion.

"Will you please confirm or correct us  
as to this?"

Article 4860a-20, V.C.S., was enacted by Acts  
45th Leg., R.S. 1937, ch.99, p.184, to regulate county  
mutual insurance companies insuring against loss or dam-  
age by fire, lightning, gas explosion, theft, windstorm  
and hail, and for all or either of such purposes. Sec-  
tion 23 thereof exempted county mutual insurance com-  
panies from the operation of all insurance laws of this  
State, except as otherwise specifically provided in Art-  
icle 4860a-20. No provision for annual license fees was  
made for agents. Section 2a(g) was added by Acts 50th  
Leg., 1947 (H.B. 155), ch.367, sec.1, p.739, providing:

"Such company shall also file with the Board, and secure license for, each of its agents, or solicitors, upon payment of license fee of One Dollar (\$1) for each agent or solicitor under the provisions of Article 5068b."

No subsequent amendments have been specifically added to the above section of Article 4860a-20, nor has reference been made to any other article.

At the time of the above 1947 enactment, Article 5068b, V.C.S., set out procedures for licensing agents to solicit or write life, health and accident insurance in Texas. Certain duties were imposed upon and authority was granted the Board of Insurance Commissioners in issuing, renewing and cancelling licenses of agents. Section 7 provided for an annual fee of One (\$1.00) Dollar to be paid by every agent of life, health and accident insurance companies. No reference was made to fire insurance companies, nor to county mutual fire insurance companies.

Section 7 of Article 5068b was amended by H. B. 616, Acts 51st Leg., R.S. 1949, ch. 204, sec.1, p. 384, to provide for the increase of the agent's annual license fee from One (\$1.00) Dollar to Two (\$2.00) Dollars. No other portion of the article was changed. No express intent of the Legislature is to be found whereby this section, as amended, would apply to agents' license fees under Section 2a(g) of Article 4860a-20.

The question necessary to be answered is the meaning attached to the reference to Article 5068b contained in Section 2a(g) of Article 4860a-20. It is our opinion that it was the intent of the Legislature, in providing for agents' license fees, for county mutual fire insurance companies to be guided by the provisions of Article 5068b merely as to procedure, i.e., "under the provisions of Article 5068b." It is our opinion that the increase in fee, provided by the 1949 amendment of Section 7, Article 5068b, did not amend the amount already provided in Section 2a(g) of Article 4860a-20. "A statute of specific reference incorporates the provisions referred to from the statute as of the time of adoption without subsequent amendments, unless the Legislature has expressly or by strong implication shown its intention to incorporate subsequent amendments with the statute.

Hon. George B. Butler, page 3 (V-1042)

In the absence of such intention, subsequent amendment of the referred statute will have no effect on the reference statute." 2 Sutherland Statutory Construction (3rd Ed. 1943), Sec. 5208, p. 548-549, citing Trimmier v. Carlton, 116 Tex. 572, 296 S.W. 1070 (1927). In our opinion, the Legislature in 1949 did not find it necessary to disturb the One (\$1.00) Dollar fee required by Section 2a(g) of Article 4860a-20, for agents of county mutual fire insurance companies; it changed only the amount for agents of life, health and accident insurance companies.

SUMMARY

The annual license fee for agents of county mutual fire insurance companies is One (\$1.00) Dollar. Section 2a(g), Article 4860a-20, V.C.S.

Yours very truly,

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APPROVED:

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